

EXHIBIT B

SCE&G APPLICATION OF MARCH 18, 2005 FOR AUTHORIZATION TO ISSUE FIRST AND REFUNDING MORTGAGE BONDS

1. **Identify the effect on the income statement and balance sheet of the proposed financing.**

None.

- * 2. **Identify specifically how the funds obtained through the proposed financing are to be used by the Company.**

No funds will be generated. The bonds are to be issued and immediately canceled to satisfy the sinking fund requirements of SCE&G's Old Indenture.

3. **Provide information of the possible impact on the Company if the proposed financing is not approved or if approval is delayed.**

If the Order is not approved and issued by June 1, 2005, SCE&G either would be in default under the Old Indenture or required to use cash to satisfy the sinking fund requirement.

- * 4. **Specify the expected effective rate of interest of any debt financing (a range for the rate is appropriate). For common stock issues, provide information on the anticipated market price and book value per share at the time of issue.**

Not applicable. The bonds are to be immediately canceled upon issuance.

5. **Provide information on the expected benefits (example – savings expected from early debt retirement) and costs (example - issuance expenses) of the proposed financing. Provide any studies that were developed to identify these costs and benefits and the net result. (This could incorporate present value analysis of the costs/benefits.)**

Identify the basic assumptions of any analyses of costs/benefits.

The deposit of cash with the Old Trustee would make the cash unavailable for its construction program and for general corporate purposes to SCE&G for an indefinite period, and from a cash budgeting standpoint, it is more efficient for SCE&G to deposit bonds with the Old Trustee.

6. Identify the impact on the firm's capital structure of the proposed new financing.

None.

* If the financing application is for a shelf registration, the responses to these questions should be based on the best information available at the time of the application. If the filed information becomes outdated due to changes in the financial markets and change in the Company's funding requirements, updated information should be provided within a reasonable period after any shelf registration financing.